

REPORT

DATE: May 12, 2005
TO: Administration Committee
Regional Council
FROM: Heather Copp, CFO (213) 236-1804
Email: copp@scag.ca.gov
SUBJECT: Approval of Contracts Over \$250,000

EXECUTIVE DIRECTOR'S APPROVAL



RECOMMENDED ACTION:
Approve Contracts

SUMMARY:

- The following contracts are recommended for approval:

Aerial Information Systems	NTE	\$448,540
Dell Inc.	NTE	\$414,380

FISCAL IMPACT:

The Work Element is listed on the detail page for each contract. Included is the Work Element and category of funding, for example FHWA, FTA, indirect.

If a member believes or has a reason to believe that he or she has a financial interest in any of the firms listed on this Report, the member should consult with SCAG legal counsel.

CONSULTANT CONTRACT

Consultant: Aerial Information Systems

Scope: The consultant will perform interpretation of aerial imagery to produce an updated existing land use database. An existing land use database was previously completed for the years 1990, 1993 and 2000. This effort involves updating the database to reflect actual land use in 2005. SCAG and other stakeholders utilize the land use database for regional planning activities including; economic development, transportation planning, real development and land use impact analysis. This project will involve the creation of a digital land use database for the urbanized and non-urbanized areas of the SCAG region.

Contract Amount:	Total not to exceed	\$448,540
	Aerial Information Systems	\$448,540

Contract Period: July 1, 2005 through May 31, 2006

Work Element:	05-040.SCGC4	\$300,000	Funding Sources: Consolidated Planning Grant – FTA & TDA – subject to approval of SCAG’s FY 05/06 budget
	05-040.SCGC4	\$150,000	Funding Sources: This funding requires a budget amendment in FY 05/06

Request for Proposal: SCAG staff mailed postcards to 145 pre-qualified firms on SCAG’s bidders list to notify them of the release of RFP No. 05-170. The RFP was also posted on SCAG’s website and the California State Contracts Register. The following four proposals were received in response to the solicitation:

Aerial Information Systems (no subcontractors)	\$448,540
Aztec Engineering (1 subcontractor)	\$447,958
Nobel Systems (2 subcontractors)	\$228,627
Techni Graphics Systems (1 subcontractor)	\$447,068

Selection Process: The Proposal Review Committee (PRC) evaluated all four proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were held with all four of the offerors.

The PRC was comprised of the following individuals:

Michael Dean, Sr. GIS Analyst, Caltrans, District 7
Falan Guan, GIS Manager, LA County MTA
Pablo Gutierrez, Associate Regional Planner, SCAG
Rich Mader, Lead GIS Analyst, SCAG
Javier Minjares, Senior Regional Planner, SCAG

Basis for Selection:

The PRC unanimously recommends Aerial Information Systems (AIS) for the contract award. AIS was deemed to be the most qualified firm based on both their proposal and oral presentation.

The project consists of four major tasks which results in a comprehensive land use database. The first task involves the adjustment of previous land use database to the most recent imagery. This assures that land use changed will be detected accurately. AIS's proposal demonstrated an extensive understanding of the basic requirements needed to complete this important task. They have previously performed comparable work for SCAG in 1990, 1993 and 2000. AIS's previous work shows that they have broad-based experience working on land use interpretation, database administration and local planning.

The second task required the interpretation of the aerial imagery into land use units of a minimum 2.5 acres with critical land areas being done at a minimum mapping unit of 1 acre. AIS has exceeded and proposed to exceed these minimum thresholds throughout the SCAG region. Areas that are not clearly defined during the interpretation process will be flagged for on-site field validation (Task 3). It is in Task 3 that AIS proposes to field validate all flagged areas, as well as, all polygons along the route to the flagged areas. All of the other vendors either proposed to do a sample field validation or to limit the total number of areas to be field checked.

The last task involves the creation of attribute tables and shapefiles. AIS has proposed including all information from previous land use files so that time series analysis can be done of land use changes from 1990 to the present.

In each case AIS has proposed a comprehensive and thorough approach to completing the land use interpretation within the allocated timeframe and within budget.

Although AIS was not the lowest bidder, they have a proven track record of producing a high quality product that meets or exceeds the requirements that SCAG laid out in the Request for Proposals. Although, Nobel Systems was by far the lowest bidder the PRC had reservations about having to expend some of the project budget to train the technical staff that would be located in China.

The resulting database will be used in the Compass Monitoring

Program; development of the 2007 Regional Transportation Plan
Growth Forecast; and various other planning programs at SCAG and
throughout the region.

CONSULTANT CONTRACT

Consultant: Dell Inc.

Scope: SCAG relies heavily on information technology for its operations and delivery of services, and computer hardware is essential to the productivity of its employees. In an effort to improve operational efficiencies, SCAG will be replacing nearly all of its personal computers (PCs) and instituting a formal PC recycling program with replacements occurring every three to four years. As part of this process SCAG will be establishing desktop replacement standards from a single manufacturer that includes PCs, laptops, and servers.

SCAG is currently in the process of implementing an upgrade to its information technology infrastructure in an effort to better utilize technology to improve overall operations. The PC replacement project is the third phase of a four-phase process that includes the following activities:

1 - Network Infrastructure – SCAG is currently upgrading its physical network infrastructure with new Cisco switches and firewalls supporting a gigabit backbone. In addition, SCAG is upgrading its physical plant including cabling upgrades with Cat 5 or better connections throughout the organization. This project will be finished by the end of Fiscal Year 04-05.

2 - Application Server Upgrades – SCAG will be standardizing on Microsoft Windows Server 2003 for its server operating system and upgrading its E-mail platform to Exchange Server 2003.

3 - Personal Computer Upgrades – PCs will be leased for all SCAG staff. This includes; standard desktops, high-performance desktops for data analysis and modeling, high-performance graphics tuned desktops for GIS and Graphics staff, and laptops for staff and audio visual. Also included are peripherals such as scanners and printers, as well as professional services to assist in the rollout of the new PCs.

To insure compatibility, SCAG will be using Dell for all PC/Server purchases during the initial IT Implementation Cycle.

The total price represents a three-year lease of the PCs, as well as purchase of servers (under Phase 2), peripherals, and professional services in year one.

Contract Amount:	Total not to exceed	\$414,380
	Dell Inc.	\$414,380

Contract Period:	July 1, 2005 through June 30, 2008		
Work Element:	06-840.SCGC3	\$205,460	Funding Source: IT/Operations – Indirect Overhead – subject to approval of SCAG’s FY 05-06 budget
	07-840.SCGC3	\$104,460	Funding Source: IT/Operations – Indirect Overhead – subject to approval of SCAG’s FY 06-07 budget
	08-840.SCGC3	\$104,460	Funding Source: IT/Operations – Indirect Overhead – subject to approval of SCAG’s FY 07-08 budget
Request for Proposal:	SCAG staff utilized the State’s CMAS (California Multiple Awards Schedule) list to research qualified vendors. As a governmental agency, SCAG is able to utilize vendors from CMAS without having to solicit bids. Nonetheless, a Request for Proposal was sent to two of the Tier 1 PC vendors on the CMAS list. The following two proposals, representing purchase pricing, were received in response to the solicitation:		
	Dell		\$341,684
	Hewlett Packard		\$401,146
Selection Process	An internal Proposal Review Committee (PRC) comprised of Victor Ryden from SCAG and Bob McConnachie from Civic Resource Group, SCAG’s IT Project Manager, reviewed the proposals and determined on the basis of specifications and price that the preferred vendor was Dell.		
Basis for Selection	<p>Dell is the leading manufacturer of PCs followed by Hewlett Packard (HP) and IBM. IBM recently sold its PC business to Lenovo resulting in uncertainty for current customers. By choosing Dell, the market leader, SCAG will minimize potential business risk from further industry consolidation.</p> <p>Dell’s business model is focused on selling direct to customers, rather than through resellers. This is particularly advantageous for customers similar in size to SCAG. Dell’s costs are not burdened with middleman/reseller fees. In a recent independent study by the Yankee Group, Dell ranked significantly higher than other manufacturers in price and quality for the medium and small business/organization category.</p> <p>Standardizing on platforms/vendors was a key recommendation of the SCAG’s IT Evaluation conducted by The Integration Works in June 2004. Switching costs and support of multiple vendors PCs would more than outweigh any new purchase price cost savings that could be potentially derived.</p>		

Dell provides full service support including direct financing and leasing of computer equipment. Dell's leasing rates are highly competitive. Its direct business model results in lower financing costs for customers.